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BEFORE THE ARIZONA CORPORATIO.

1
2 JIM IRVIN
Commissioner - Chairman
3 RENZ D. JENNINGS
Commissioner
4 CARL J. KUNASEK
Commissioner
5

6 IN THE MATTER OF THE APPLICATION)
OF SOUTHWEST GAS CORPORATION -)
7 FILING TO REVISE SECTION 6.9,)
BALANCING, OF SCHEDULE T-1,)
8 TRANSPORTATION OF CUSTOMER-)
SECURED NATURAL GAS)
9

DOCKET NO. G-01551A-98-0396

DECISION NO. 61036
Arizona Corporation Commission

ORDER

DOCKETED

AUG 6 1998

10 Open Meeting
August 4 and 5, 1998
11 Phoenix, Arizona

12 BY THE COMMISSION:



13 FINDINGS OF FACT

14 1. Southwest Gas Corporation (Southwest) is engaged in providing natural gas within
15 portions of Arizona, pursuant to authority granted by the Arizona Corporation Commission.

16 2. On July 16, 1998, Southwest filed an application to revise Section 6.9, Balancing, of
17 Schedule T-1, Transportation of Customer-Secured Natural Gas (Schedule T-1).

18 3. On July 23, 1998, Southwest submitted a revision to one of the previously filed tariff
19 pages.

20 4. Under the Schedule T-1, qualifying Southwest customers are allowed to procure their
21 own natural gas supplies, have the natural gas delivered to Southwest's distribution system, and have
22 Southwest transport the natural gas over Southwest's distribution system to the customer site(s). The
23 customer schedules a certain amount of gas that is delivered onto Southwest's system and then
24 Southwest meters the amount of gas the customer draws off of Southwest's system during that period.
25 At times, a transportation customer may use more or less gas than they had delivered onto Southwest's
26 system, creating an imbalance.

27 5. Southwest's filing would add wording to Section 6.9 to clarify how a customer's
28 imbalances are calculated.

1 6. Currently Section 6.9 defines customer imbalances as "the difference between the
2 customer's metered quantity and the sum of the customer's scheduled transportation quantity plus any
3 utility-approved imbalance adjustment quantity." If a customer's imbalance exceeds the daily or
4 monthly operating window, such usage is subject to imbalance charges.

5 7. Later in Section 6.9, the calculation of the customer's monthly and daily operating
6 windows is described. Currently, there is no explicit reference to the utility-approved imbalance
7 adjustment quantity in the language describing the calculation of the daily and monthly operating
8 windows.

9 8. Southwest's filing would insert the utility-approved imbalance adjustment quantity into
10 the language describing the calculation of the daily and monthly operating windows as well as the
11 definition of daily and monthly operating windows. This will make Section 6.9 clearer in its
12 description of customer balancing procedures.

13 9. Staff has recommended approval of Southwest's revised filing.

14 CONCLUSIONS OF LAW

15 1. Southwest is an Arizona public service corporation within the meaning of Article XV,
16 Section 2, of the Arizona Constitution.

17 2. The Commission has jurisdiction over Southwest and over the subject matter of the
18 application.

19 3. The Commission, having reviewed the application and Staff's Memorandum, dated
20 July 27, 1998, concludes that it is in the public interest to approve Southwest's revised filing.

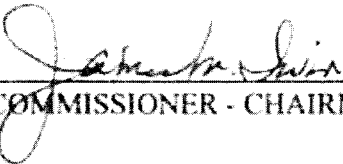
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ORDER

THEREFORE, IT IS ORDERED that the Commission hereby approves, as amended, Southwest's tariff filing.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION


COMMISSIONER - CHAIRMAN


COMMISSIONER


COMMISSIONER

IN WITNESS WHEREOF, I, JACK ROSE, Executive Secretary of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this 6th day of August 1998.


JACK ROSE
Executive Secretary

DISSENT: _____

RTW:BG:sjs